

**STATEMENT OF
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U.S. ENVIRONMENTAL PROTECTION AGENCY
BEFORE THE
SUBCOMMITTEE ON WATER RESOURCES AND ENVIRONMENT
U.S. HOUSE OF REPRESENTATIVES**

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Mr. Chairman and Members of the Subcommittee, I am Thomas Dunne, Deputy Assistant Administrator of the Office of Solid Waste and Emergency Response (OSWER), U.S. Environmental Protection Agency (EPA). Also appearing today is Mr. Ben Grumbles, Assistant Administrator for EPA's Office of Water. We are pleased to be here to discuss President Bush's budget request for EPA and our views on water infrastructure, Superfund, brownfields, and other programs that fall within the Agency's Offices of Water and Solid Waste and Emergency Response.

The President's budget provides the necessary funds for EPA to carry out our mission efficiently and effectively - to protect human health and safeguard the environment. The fiscal year 2006 budget request is \$7.6 billion, which provides a 28 percent funding increase for the brownfields program, maintains steady funding for the Superfund cleanup program, and increases funding for homeland security/emergency response and enforcement activities.

The President's budget request reflects a continued commitment to leave America's air cleaner, its water purer, and its land better protected than this Administration found it. The President' budget request represents an increase for EPA's core operating programs for air, water, land, and enforcement.

OSWER PROGRAMS

Superfund

EPA remains committed to the polluter pays principle. Approximately 70 percent of Superfund cleanups are performed by the parties responsible for hazardous waste sites. Much of EPA's Superfund budget is committed to sites where responsible parties are unidentified or are no longer financially viable. The President's budget request maintains steady funding for the Superfund cleanup program compared with fiscal year 2004 enacted levels. This level of funding enables the Agency to maintain the pace of sites reaching construction completion and continues progress at the more than 440 sites under construction.

The Superfund program not only protects human health and the environment by cleaning up hazardous waste sites and taking short-term actions to mitigate immediate threats to human health, but also works with both public and private partners to promote reuse and redevelopment of Superfund sites.

The Superfund program continues to meet Agency performance measures. As of January 2005, cleanup construction has been completed at 927 National Priorities List (NPL) sites. Additionally, cleanup construction projects are underway or completed at 94 percent of the sites on the NPL. In fiscal year 2006, EPA expects the Superfund program to complete cleanup construction at 40 Superfund sites.

The Superfund program often completes short-term removal actions to mitigate immediate health threats at sites prior to completion of investigations and the start of long-term cleanup construction. However, many Superfund sites pose serious continuing and documented public health risks requiring long term measures as well. For example, the Agency is currently cleaning up many residential sites where we have found residents with high body burdens of lead, arsenic, and other contaminants. Such exposure impairs children's physical and cognitive development and can have a variety of impacts on adults. In addition, the Superfund program has provided alternative sources of drinking water to nearly 615,000 people near both NPL and non-NPL sites where existing water supplies were determined to be unsafe due to contamination.

Finally, the Superfund program has initiated action in four areas of cost management. First among these is the Agency's continued efforts to ensure that the people responsible for the contamination pay for or conduct the cleanup work. Other areas include:

- Getting the most out of Superfund money by ensuring that program resources are used effectively and efficiently. For example, our aggressive effort to deobligate funds from contracts, grants, cooperative agreements and interagency agreements has totaled more than \$500 million over the past four fiscal years;
- Ensuring the best cleanup for the money by reviewing and improving high cost remedies and paying careful attention to design and operation. For example,
 - We have established the Contaminated Sediments Technical Advisory Group, comprised of Agency experts, to provide advice to Regions with potentially high cost sites prior to a remedy being selected.
 - Our ongoing efforts to update remedies continue to play a significant role in saving money for the program and for private parties during remedy design, construction, and operation and maintenance. In fiscal year 2003, there were 60 remedies updated generating estimated cost savings in excess of \$85 million. Since its inception, EPA has updated over 500 remedies, reducing estimated cleanup costs by more than \$1.8 billion.
 - We also have developed new cost estimating tools for use during design and are reviewing and modifying contaminated groundwater treatment systems in an effort that could save about \$4.8 million a year.

These efforts are in part a result of several studies, most recently an internal review of the Superfund program, known as the 120-Day Study, which identified opportunities for the Agency to begin and ultimately complete more long term cleanups with current resources. These activities are accomplished within the framework of our priorities for providing remedial action funding. Recognizing that reduction of risk and protection of human health guide our overall

priorities, our most important construction priority is to continue work at projects that are underway, where construction equipment and staff are on site. For new project starts, we base funding on the health threat posed and the need to finish work at an entire site. This goal drives the cost management initiatives we are undertaking.

EPA is undertaking all of these activities to find and utilize every dollar and resource available to clean up contaminated sites and to protect human health. However, the size, complexity and cost of sites currently under construction or ready to begin construction continue to grow. In fact, in fiscal year 2004, more than fifty-two percent of the Superfund obligations for long-term, on-going cleanup work were committed to just nine sites. The Agency expects to have a similar situation this year. I have called upon both the Agency and its partners to investigate new ways of addressing these large sites through a national dialogue about the program's future, and I look forward to reporting the results of that dialogue to you in the future.

Finally, The Superfund removal and emergency response program started 385 removal cleanup actions in fiscal year 2004, and to date, has completed more than 8,286 removals at hazardous waste sites to immediately reduce the threat to human health and the environment.

Brownfields

The President's fiscal year 2006 budget request provides a \$46.9 million increase in funding from fiscal year 2005 enacted funding levels for the brownfields program for a total request of \$210 million. Fiscal year 2006 funding will produce 1,000 assessments, 60 cleanups, and together with the Brownfields tax credit extension, leverage more than \$1 billion in cleanup and redevelopment funding. During the past fiscal year, EPA continued to implement provisions of the 2002 Brownfields law. Of particular importance, was the negotiated proposed rule-making for conducting all appropriate inquiries. This rule-making clarified the requirements for investigating the previous ownerships, uses and environmental conditions of a property, thus encouraging the cleanup and development of contaminated properties by providing regulatory certainty for purchasers and developers of contaminated properties.

EPA remains committed to building and enhancing effective partnerships that allow us to safeguard and restore land across America. Brownfields cleanup and redevelopment remains one of the Administration's top environmental priorities. The brownfields program will draw on these additional resources to enhance State and Tribal response programs that restore and reclaim contaminated and potentially contaminated sites.

Oil Spill Program

The President's budget request provides \$12.34 million for the Office of Solid Waste and Emergency Response's portion of EPA's oil spill program. Our oil spill program focuses on preventing oil spills from occurring, reduces the risk of hazardous exposure to people and the environment, and responds to spills when necessary. More than 20,000 spills are reported to the Federal government each year. EPA evaluates as many as 13,000 spills to determine if its

assistance is required. On average, EPA either manages the oil spill response or oversees response efforts of private parties at approximately 300 sites per year.

EPA's spill prevention efforts protect inland waterways through oil spill prevention, preparedness, and enforcement activities associated with the more than 400,000 non-transportation related oil storage facilities that EPA regulates.

Homeland Security - Emergency Response

EPA plays a vital role in preparing for, and responding to, terrorist and other incidents of national significance. The President's budget request has a \$79 million increase for EPA homeland security efforts, which includes \$14 million more for the Superfund account. The budget request will allow EPA to continue upgrading and enhancing our emergency response capabilities. Incorporated in the request is funding for new Environmental Laboratory Preparedness and Response capacity. This funding will enable EPA to develop a system among existing Federal and state laboratories to support responses to national security incidents with EPA as the lead agency responsible for design and initial implementation of the program.

The fiscal year 2006 request also contains \$4 million in targeted investments to strengthen the Agency's readiness and response capabilities, including development of a national portfolio of decontamination resources, and state-of-the-art equipment, and highly specialized training for On Scene Coordinators (OSCs). EPA will continue to provide technical support and expertise for emergency response, including trained personnel and equipment with a \$33.5 million request to continue support of these functions.

Other Initiatives

EPA has taken the lead on several initiatives to promote a cleaner environment, encourage recycling and waste minimization, and advance innovative approaches to environmental challenges.

Land Revitalization

The land revitalization initiative, launched in April 2003, includes all of EPA's cleanup programs as well as partners at all levels of government and in the private and non-profit sectors. The goal of land revitalization is to restore our nation's contaminated land resources and enable America's communities to safely return these properties to beneficial economic, ecological, and societal uses. EPA is ensuring that cleanup programs protect public health, welfare, and the environment; and also ensuring that the anticipated future uses of these lands are fully considered in cleanup decisions.

Experience has taught us that one of the best ways to clean up contaminated sites and to address blighted properties in communities is to expressly consider the future uses of this land. The country has accepted the economic and ecological importance of recycling various consumer

products – and our understanding of sound resource management must now also embrace the recycling of contaminated properties.

Under the land revitalization agenda, we are also advancing several other key approaches. One of these is the One Cleanup Program. This approach does not require new programs or additional appropriations, but instead creates opportunities for the many state and federal cleanup programs to collaborate and leverage resources.

The Resource Conservation Challenge (RCC)

The Resource Conservation Challenge is encouraging businesses, manufacturers and consumers to help achieve two goals by 2008: increase the national recycling rate from 30 to 35 percent, and reduce the generation of the 31 most harmful chemicals in hazardous waste. This initiative, which EPA officially launched on September 9, 2002, is a major national effort to conserve our natural resources through voluntary partnerships and demonstrable environmental results.

In late 2004, EPA identified four key areas for national resource conservation focus – Priority and Toxic Chemical Reductions, Recycling Municipal Solid Waste, Beneficial Use of Secondary Materials, and Green Initiatives – Electronics. By spring 2005, after discussions within EPA and with our state RCRA and pollution prevention counterparts, we will develop national implementation strategies for each of these four areas. To date, the RCC has been very successful establishing voluntary partnerships and documenting the environmental benefits of resource conservation.

Innovations Initiative

Through strategic collaborations with industry, academia, non-profit organizations, and various levels of government, EPA is stretching beyond its traditional role as a regulator by embracing new ideas and new ways of doing business. The Innovations Initiative tests creative approaches to cleanup and reuse contaminated land, to increase recycling and minimize waste, and to improve emergency response and preparedness. For example, EPA, in partnership with the private sector, developed a design competition to develop waste-minimizing packaging for books and CDs purchased on the Internet. The competition produced a number of methods to reduce packing waste, and several companies are now exploring other uses for the new packaging. In fiscal year 2004, EPA selected 13 innovative projects totaling \$741,000. In fiscal year 2005, EPA anticipates selecting 12 more projects totaling approximately \$500,000. While innovative projects usually begin as small-scale efforts, many hold promise for broader application across various industry sectors and waste streams, leading a shift in thinking from waste management to materials reuse, from abandonment of contaminated lands to land revitalization.

CONCLUSION

EPA will continue to protect human health and the environment by requiring polluters to clean up hazardous waste sites and looking for ways to improve Superfund and brownfields

program efficiency and effectiveness. I look forward to continuing to work with the Committee to address the Superfund and brownfields programs, and other programs entrusted to the Office of Solid Waste and Emergency Response. The President's budget request for EPA will help ensure that we are able to accomplish the Agency's important mission - - to protect human health and the environment.

